Written Statement of

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and

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I. Introduction

Chairman King, Ranking Member Thompson, Members of the Committee:

Thank you for inviting me to discuss the role of the Chief Intelligence Officer in the Department of Homeland Security. As you know, I will be the first person to hold this title, so I feel a particularly strong obligation to Congress, Secretary Chertoff, my peers in the Intelligence Community, and the President, to make it absolutely clear what this position can contribute to the nation's security.

First and foremost, the Chief Intelligence Officer must be the U.S. government's leading proponent of a vital type of intelligence – homeland security intelligence – that is not well understood.

Everyone here understands human intelligence, signals intelligence, imagery intelligence, and the other "INTs" that have served our country so well since the organization of the U.S. Intelligence Community shortly after the Second World War. For a long time, most Americans associated these intelligence disciplines—and intelligence as a whole—with the pursuit of a foreign enemy on distant shores.

Then came the attacks of September 11, 2001, and those of us who were not already aware of its existence caught a glimpse of homeland security intelligence in the blinding sunlight of that fateful day. We realized that it isn't enough to know what our enemies are doing abroad. We must know what they are doing to penetrate the air, sea, and land approaches to our homeland. We must know what they are doing to survey, target, or exploit key assets, symbols of America, and the critical infrastructures upon which we depend for our economic vibrancy—including the Internet. Then we must make this knowledge available instantly to the men and women at all levels of government and the private sector who have both the mission and the means to act against our enemies before they realize their ends.

As I said, this kind of intelligence has always existed, even if we have not always recognized its value as much as we should. My role—and my goal—as Chief Intelligence Officer is to see that homeland security intelligence, a blend of traditional and non-traditional intelligence that produces unique and actionable insights, takes its place alongside the other kinds of intelligence as an indispensable tool for securing the nation.

II. Transition from IAIP to OIA

Before I tell you in more detail how I propose to do this, let me briefly go back in time to the creation of the Department of Homeland Security. Congress established the Office of Information Analysis as part of the Directorate of Information Analysis and Infrastructure Protection, or IAIP. It was one of the only entirely new entities in the Department of Homeland Security, and my predecessors had to create it essentially from scratch. They built a solid record of accomplishment and I owe them a debt of gratitude. I take it as a sign of the maturity of the organization that staff members of the Office of Information Analysis are publishing a range of intelligence products from daily current support to the Secretary to an increasing number of bulletins and special assessments on threat-related topics for state, local, and private sector customers.

But the position I now hold is NOT the same one that my predecessors held. Indeed, it is radically different in at least three important ways. First, the Secretary intends to rename my organization the Office of *Intelligence* and Analysis. This will make it clear that I am the head of an intelligence organization. Second, I will serve as the Department's Chief Intelligence Officer. That means Secretary Chertoff will look to me first, last, and always for the intelligence support he needs to lead the Department, and better detect and prevent planned attacks on American soil. And I assure you, the Secretary is a voracious consumer of intelligence, and he understands how it should be used to catalyze, guide, and inform homeland security operations. Third, I have the Secretary's mandate to integrate all of the Department's intelligence capabilities, not just those in the Office of Intelligence and Analysis. That means the Secretary is counting on me to marshal all the intelligence and information in Homeland Security's component agencies and deliver it to him in a way that he can use to make timely, risk-based decisions about how to deploy the Department's human and material resources. The Secretary expects me to be a dynamic recipient of information. On July 13 he told this committee, "The chief intelligence officer will have the obligation to manage the collection and fusion of intelligence throughout the entire department." To fulfill this mandate will require an even stronger degree of integration than exists today.

There is one important way in which I do walk in the footsteps of my predecessors: serving as the Department of Homeland Security's principal interface with the Intelligence Community. The Office of Intelligence and Analysis will be one of two DHS entities that belong to the Intelligence Community: the other is the United States Coast Guard. I am aware that the role of the Department in the Intelligence Community is not widely understood. For instance, the Department is scarcely mentioned in the report of the Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction. That could mean that we have been doing almost everything right and there is little to fix. But I am afraid it means that DHS intelligence has yet to take its place as a fully recognized member of the Intelligence Community. As such, one of the Department's goals is to ensure that the Office

of Intelligence and Analysis becomes a true peer of the other IC agencies, with all the rights, responsibilities, and the respect, that entails. Another goal is to make sure that the next time it becomes necessary to fix U.S. intelligence—and I hope it won't be soon—DHS will be the subject of a chapter on how to do it right.

Before I turn to the future, I want to address one more aspect of the past: the union of information analysis and infrastructure protection within DHS. I hope nobody takes the separation of these two functions as a sign that the original idea of them working closely together was a mistake. Far from it. One of the things that make DHS unique is its ability to bring together threat streams and vulnerability assessments in a methodologically rigorous and action-oriented way. This practice of mapping threats against vulnerabilities is an important part of the DHS intelligence program and we will continue to partner intelligence analysts with infrastructure protection specialists and dedicated support personnel to better understand the terrorist threat to U.S. infrastructure. This joint endeavor between the Office of Intelligence and Analysis and the infrastructure protection elements will provide a significant capability for the Department's new Preparedness Directorate.

You may wonder: if IA and IP are so good together, why split them? I think the Secretary made that clear when he announced his plans to reorganize the Department: he wants to raise the profile of both. For IA, this means elevation to a stand-alone organization, reporting directly to the Secretary, in order to manage the integration of DHS intelligence activities that cut across the entire Department. IA and IP are like two siblings who have grown up together and who now are heading off to bright futures that will be separate but intertwined.

III. Road ahead

a. Priorities

Having covered the past, let me turn now to the future. I will start with a brief summary of my priorities, followed by a discussion of how I intend to pursue them.

My first priority is to support the Department's leadership and direction of the operational components. Secretary Chertoff and Deputy Secretary Jackson have broad responsibilities across a complex and multi-functional Department, and I need to keep them fully apprised of what's going on in the area of intelligence. This obligation extends to integrating the intelligence elements of the Department so as to create a unified intelligence culture, improving the flow of intelligence information both horizontally and vertically throughout the organization, and improving the reporting of intelligence information from the Department's operating components and providing actionable, relevant analysis back to them.

Next, DHS intelligence must become fully involved in the Intelligence Community and the National Intelligence Program. This means being a valued contributor to the overall intelligence effort and a trusted recipient of national intelligence information from other agencies. As you may know, our unique functional expertise at DHS resides in our operational components, and a pool of rich information gathered by these components and from our exchanges with state, local, and private sector partners. I am seeing first hand how different functional perspectives coupled with access to component data yield unique analysis and products. DHS's intelligence contribution is its ability to act as a nexus for integration and coordination between domestic and foreign intelligence. We simply cannot afford delays or

obstacles to the rapid sharing of potentially valuable information and intelligence from all sources. We need to redouble our collective effort, both within DHS and among the Intelligence Community, to allow the right people to access the right information, on time, for the right customers.

My third priority involves strengthening intelligence support to our state, local, tribal, and territorial government partners. Consistent with the Secretary's emphasis on risk-based allocation of resources, I will focus on supporting major cities and key infrastructure assets, but I also aim to strengthen relationships with all our Homeland Security Advisors, local and government partners, and the private sector.

Finally, I will strive to cultivate a rich relationship with Congress. I don't need to tell you that we are in a very dangerous period, and I need your continued support, objectivity, and feedback in order to improve the capabilities of DHS intelligence to help secure the nation.

Now that I have given you the high-altitude view of my priorities, let me circle in to give you a more detailed picture of how I intend to pursue them.

Support to Departmental leadership and mission

In testimony before this panel and its Senate counterpart, Secretary Chertoff emphasized that the role of the Department of Homeland Security is not just to "catch the terrorist," as important as that is. DHS is an all-hazards agency and our constituent agencies need support across the full range of their activities. The Office of Intelligence and Analysis is prioritizing tasks and improving the focus of its analytic workforce to better support the Department's core missions of border, transportation, maritime, and infrastructure security. Our efforts will wed intelligence even more closely to operations.

As I said earlier, Secretary Chertoff has given me a mandate to integrate all DHS intelligence activities. The goal is <u>not</u> to create a unitary, top-down, command-and-control structure, but rather to ensure that the intelligence elements of the various operating components contribute to a unified Departmental intelligence picture of the threats our country faces, even as they continue to support the day-to-day needs of their respective organizations. The U.S. military has shown how proud institutions with long and distinguished histories can partake of a joint identity even as they retain what makes them distinctive and valuable. I believe we can do the same in DHS intelligence. We will build a departmental intelligence culture that will be more than simply the sum of its confederated parts.

Prior to my arrival, the Office of Information Analysis prepared an intelligence integration plan that was an important input into the Secretary's Second Stage Review. I intend to use this plan to identify and implement some additional measures that will bring a more corporate approach to the DHS intelligence enterprise in such areas as requirements, analytic standards—including use of alternative analysis, and human capital development.

I also plan to establish a Homeland Security Intelligence Council as my principal forum for discussing intelligence issues of Department-wide significance, developing a Departmental intelligence strategic plan, and driving intelligence component integration. This council, which I will chair, will consist of key intelligence officials from the various DHS operating components.

Improving the flow of intelligence information throughout the Department is a key goal. I intend to make sure that the intelligence information generated by the day-to-day operations of the Department gets to intelligence analysts, operators, and policymakers. Likewise, relevant Departmental analyses need to get to the Border Patrol agent, the Coast Guard cutter captain, and

the TSA airport screener in forms they can use. The Office of Intelligence and Analysis is developing several tools to share information. An Intelligence Production and Dissemination Suite will incorporate automated tearline production and classification review as well as metadata regimes that comply with prevailing Intelligence Community standards and incorporate indispensable privacy protections to facilitate delivery of intelligence to the users who really need it. Another tool that we are exploring would maintain "smart" databases and archives for improved accessibility and dissemination of finished intelligence products to federal, state, local, territorial, and tribal customers, with cross-matching of security clearance status connected to privacy safeguards and cross-cutting dissemination across communities of interest. We are also developing an in-house capability to produce high-quality printed materials, including guides and analytic products, at all classification levels to serve internal and external consumers.

Perhaps the most important information-sharing initiative we are undertaking is a reports officer program designed to extract and disseminate the intelligence information generated by the day-to-day operations of the Department's frontline elements such as Customs, the Border Patrol, and TSA. The Office of Intelligence and Analysis currently has a small cadre of reports officers at DHS headquarters reviewing operational data and determining its intelligence value. Within its first year of operation, this program has disseminated more than 1,000 Intelligence Information Reports, or IIRs. The next phase of the program will place reports officers in the various DHS component headquarters to review information closer to the source. We are also considering placing reports officers in DHS component field offices, and state and local intelligence fusion centers.

This program, once fully staffed, integrated with privacy sensitive practices, and assimilated with the necessary tools and capabilities for information delivery, will exemplify the unique value that DHS brings to the Intelligence Community. Our aim is to better identify "dots" that matter for analysts to connect and, working with state and local partners, develop trends analysis and context, thereby increasing the likelihood that relevant federal, state, or local actors will be able to disrupt or mitigate the effects of terrorism and other hazards.

The Office of Intelligence and Analysis is committed to work with the Department's Office for Civil Rights and Civil Liberties and the Privacy Office to ensure that civil liberties and privacy concerns are addressed and protected in operations and information sharing activities. This is particularly important with regard to information sharing with private sector partners. Certainly, we respect the need to ensure privacy protections in any information sharing scheme. As Secretary Chertoff has said, "we must calibrate an approach to security that incorporates prevention and protection into our lives in a way that respects our liberty and our privacy, and fosters our prosperity." Thus, the systems, interactions, and relationships we build will reflect the prominence of privacy while at the same time putting the right information at the right place at the right time.

Participation in the Intelligence Community

All of the things that we are doing to improve our support to the Department and its leadership also strengthen our participation in the Intelligence Community. I will highlight some of the additional measures we are taking to ensure that we are a valuable, and valued, member of the IC. We will soon begin entering information about our analysts in the Analytic Resources Catalog, or ARC, a directory of IC analysts searchable by, among other things, areas of responsibility and specialization. We are also integrating our best people with other IC elements,

and simultaneously inviting their best people into our organization, consistent with the intent of Congress as expressed in last year's Intelligence Reform and Terrorism Prevention Act. This includes sending several representatives to the Office of the Director of National Intelligence.

One area I am particularly intent on improving is the use and standing of DHS intelligence officer staff representation within the National Counterterrorism Center, or NCTC. We are preparing a plan that will improve NCTC's access to the homeland security intelligence that DHS maintains as well as to our analytic expertise in such areas as border, transportation, and maritime security. I have spoken with Admiral Redd, the Director of the NCTC, and we agree that DHS has valuable information and capabilities to contribute to the NCTC's vital mission. As you know, liaison officers assigned to and from other Intelligence Community elements are a key to successful collaboration and enhance the overall sense of community in our business.

One important way in which we participate in the Intelligence Community is through our management of the National Intelligence Priorities Framework's Homeland Security Topic. In addition, we have led the requirements process to ensure that this topic reflects not only the Intelligence Community's priorities, but also those of our federal, state, local and private sector stakeholders. To strengthen our role in the Intelligence Community as the principal entry point for state, local, and private sector requirements, we will extend to this set of partners the automated capability to submit requirements for intelligence information.

Support to state and local governments and the private sector

The Department of Homeland Security was conceived in the expectation that it would marshal the resources of state, local, tribal, and territorial governments and the private sector in a way that was desperately needed but had never been done. The Office of Information Analysis pursued this objective with vigor, and the Office of Intelligence and Analysis will continue to do so.

Everything we do to support the Department and the Intelligence Community also strengthens our ability to support our state, local and private sector partners. However, I wish to highlight a few additional measures. DHS is supporting the efforts of a number of states to create and develop state and local fusion centers to support interoperability. The Office of Intelligence and Analysis is actively working with state and local partners on determining how best to engage with these centers. Another initiative responsive to our state and local stakeholders is the recent roll-out of a classified version of the Homeland Security Information Network, or HSIN. The unclassified HSIN is being used in all 50 states to share information between DHS and states and some local officials on a range of homeland threat, protective, and response issues. We are constantly striving to add functionality to both versions of HSIN in response to the needs of our state, local, and private partners.

Congressional relations

I am mindful that to fulfill my obligations to the Department, the Intelligence Community, and the Department's state, local, and private stakeholders, I will need the support of Congress, including this committee, its counterpart in the Senate, and the House and Senate intelligence and appropriation committees. I aim to build that support in a number of ways. The first, of course, is by speaking with you in open sessions such as this as well as in closed sessions when appropriate. But if I were to limit myself to hearings, I would be doing you and myself a

disservice. I believe in the power of bagels and coffee to build good working relationships, and I hope I can attract a number of you, as well as your key staff members, to our campus in Northwest Washington for breakfast meetings to exchange information and views. Finally, one of my management goals is to strengthen our preparation of budget submissions, and responses to Questions for the Record. I want to make sure that you get high-quality submissions from us because it is manifestly in our own interest, as well as yours, to do so.

b. Challenges

I would be remiss if I failed to mention the challenges the Chief Intelligence Officer will face in the coming months and years.

First, we face the challenge of securing our place in the Intelligence Community. I hope that by carrying the banner for homeland security intelligence, I can help our peers in the IC appreciate the unique contribution we make to the security of the nation. I realize that this process of winning acceptance must occur in the difficult context of a much wider Intelligence Community reorganization that has a number of agencies adapting to changing roles and missions. That is why we stand ready to work with our fellow agencies to increase mutual understanding, strengthen vital partnerships, and build a culture of information sharing.

Many of the initiatives I have outlined above require sufficient staff and adequate space. I understand that some on Capitol Hill have the impression that we can't fill the billets we have. While perhaps understandable, this impression is mistaken. When I assumed my duties last month, 94% of the billets in the Office of Intelligence and Analysis had an incumbent or an inbound staff member. We are addressing these internal issues, and are applying our best energies to external challenges as well, with all haste. Our sense of urgency cannot be higher.

IV. Conclusion

As I conclude, I want to take care not to leave you with the impression that all the challenges we face are ones of management and resources. The most important challenge we face is a persistent and adaptive enemy determined to inflict catastrophic harm on the U.S. homeland. Virtually any terrorist attack on the homeland that one can imagine must exploit a border crossing, a port of entry, a critical infrastructure, or one of the other domains that the Department has an obligation to secure. DHS intelligence must learn and adapt faster than the enemy so that our Department and all its partners in the federal, state, and local levels of government and the private sector have the information edge they need to secure our nation. As the Department's first Chief Intelligence Officer, I intend to make sure that happens. Thank you for the opportunity to address this panel today. I would be happy to answer your questions.